



NHRS Bulletin Board

NEW HAMPSHIRE RETIREMENT SYSTEM

A News-

letter for NHRS Participating Employers

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Military Service Credit

Do you have employees who have been called up?

NHRS members who are being called up to serve in the National Guard or Reserves can get up to three years of service credit toward their pension, at no cost. To qualify, they must return to your employment within a year of their discharge.

- After they have returned, they can send NHRS a copy of their DD 214 form and we will post the service credit to their files. It will count as service time toward their retirement eligibility, just as if they had been working in their regular position.
- No contributions are allowed on behalf of members who are not on pay status during their deployment. However, if you are paying your employees a stipend, contributions must be paid by both employer and employee.
- This provision applies not only to those who have gone into service since 9/11/01; it can apply to your employees who served in the military earlier in their careers, as well. As long as they were in a retirement eligible position when their service began, and they returned within a year, they may be eligible for service credit.

What about those who served before they became public employees?

Due to the passage of Chapter 234, vested members who had prior military service may now purchase up to three years as creditable service in NHRS. Purchasing the time will increase their amount of service credit, thus boosting the members' monthly benefit when they retire. The time will not count toward eligibility for service retirement, or for medical benefits, or to reduce the early service retirement reduction.

The cost is based on the employer's share plus the employee's share of contributions, as a % of the member's current base salary. Members can download the application form (C NHRS 61) from the NHRS website, at www.state.nh.us/retirement, or call to request them by mail.

If you have questions about either type of Military Service Credit, contact NHRS 271-3351 x272.



The new Employer Reporting System is *Live!*

According to NHRS Director of Member Services, Merelise O'Connor, the months of training sessions and preparation culminated in the conversion to the new Employer Reporting System (ERS) on Monday, December 15. Many of the payroll administrators for the 461 contributing employers are working with NHRS staff to get questions answered, and to become familiar with the new system. ERS is a key part of a technology upgrade that significantly expands NHRS'

capacity to track salary and service credit for 51,000 public employees. Each member's pension is calculated individually and the amount of the benefit is based on formulas using the salary and service variables, so there are millions of pieces of data that must be stored and processed.

If you have reported beginning with your November data using one of the new methods, thank you. **If not, please be in contact as soon as possible.** Kathy Roberge, Supervisor for the NHRS Employer Reporting Services division urges anyone with questions to contact the Help Desk, at ext. 285 or ershelp@nhrs.state.nh.us.

NHRS staff wishes to thank all of you for your patience while working with us through this critical transition!

Are You Hiring NHRS Retirees?

The New Hampshire Retirement System has seen a rise in the number of retirees returning to work in NHRS covered positions, which is not an issue if it is on a part-time basis. However, if the positions are full-time, the retirees' benefits will cease and they must be re-enrolled in the New Hampshire Retirement System as active contributing members.

Due to the timing of the NHRS becoming aware of a retiree's re-employment, we've also seen an increase in the number of annuity benefit overpayments. At the point we discover that a retiree has become an active member again, we must stop the pension payments. These employees must re-pay all of the pension benefits they received after they returned to active employment. The obligation to return these overpayments can cause personal financial problems for the retiree.

To avoid having to recover overpaid funds, we are requesting employers to ask new hires if they are receiving retirement benefits from NHRS, and contact Denise Call, Annuity Administrator, if that is the case. Please encourage your new employee to contact NHRS to learn how their benefits will be recalculated when they retire again.

Thank you for your assistance.

Reminder and Tips

- In order to process name and address changes, NHRS requires a form to be submitted with the member's signature. Forms are available on line, or by request from NHRS.
- All members who have reached age 60 and are still working full time are eligible to file a Pre-selection form with NHRS. It would give their beneficiary(ies) the maximum benefit if they were to pass away before retirement. Group II members are eligible when they have reached age 45, if they have at least 20 years of service. Pre-selection forms can be found on the NHRS website under *Death Benefits before Retirement*.
- Filing for Retirement: applications must be received at the NHRS office *at least 30 days*, but no more than 90 days before the effective date of retirement.

How your employees can access NHRS Member Services

Did you know that at least 12,000 of the 51,000 NHRS members are ***eligible to retire at any time?*** It is likely that about 1,000 of them will retire within the next six months. In order to meet the anticipated demand for services, NHRS is requesting your assistance in getting the word out by distributing the attached newsletter to your employees: